

Executive Officer Hearing on the Regulation for In-Use Off-Road Diesel Fueled Fleets



**March 11, 2010
Sacramento, CA**

California Environmental Protection Agency

Air Resources Board



Outline

- Hearing Purpose and Procedure
- Regulation Overview and Current Requirements
- AGC Petition and Response
- Information Requested
- Next Steps



Hearing Purpose and Procedure

Purpose:

- To receive input on the need for additional changes to the off-road regulation

Procedure:

- 9:00 a.m. – 9:20 a.m.: ARB presentation
- 9:20 a.m. – 10:20 a.m.: AGC presentation
- 10:20 a.m. – 10:30 a.m.: Break
- 10:30 a.m. until conclusion: Public comments
 - Commenters must sign up to testify

Regulation Overview

- Approved July 2007
- Intended to reduce emissions from existing off-road diesel vehicles
- Substantial emission and health benefits
 - 4,000 lives saved
 - Reduced localized exposure to diesel PM
- Critical element of SIP

Operational Requirements

- Reporting deadlines:
 - April 1-August 1, 2009, depending on fleet size
- Labeling
- Idling
- Sales disclosure



Emission Performance Requirements

- Restriction on adding Tier 0s
- By March 1, 2010, large fleets must:
 - Meet NOx fleet average target, or
 - Turn over 8% of fleet horsepower, and
 - Meet PM fleet average target, or
 - Retrofit 20% of fleet horsepower

NOx BACT: Replace, repower, retire, verified NOx retrofits, designate low use

PM BACT: All verified retrofits, and Tier 0 retirements

Numerous Credits Provide Significant Flexibility

- Early credits available:
 - Repowers
 - Retirement
 - Double credit for PM and NOx retrofits
- Other provisions:
 - Low use
 - NOx turnover exemption for retrofitted vehicles

Additional Flexibility Through AB 8 2X

- Signed by Governor in February, 2009
- Directed ARB to amend regulation to address impacts of recession:
 - More retirement credits
 - New reduced activity credits
 - Delay a portion of 2011-2012 requirements to 2013
- Board approved in July 2009



AB 8 2X Credit

- If operating hours or fleet size down $\geq 20\%$
 - Completely satisfies 2010 requirements
- If operating hours or fleet size down $\geq 32\%$
 - Completely satisfies 2010 and 2011 requirements
- Example –
 - Fleet downsized 50% since 2007
 - Reduced horsepower credit = 50% (never expires)
 - No PM requirements (retrofit) until 2013
 - No NOx requirements (turnover) until 2016

Updated Compliance Timeline

April: Large Fleet Reporting

June: Medium Fleet Reporting

August: Small Fleet Reporting

Blue = reporting deadlines
Red = performance deadlines

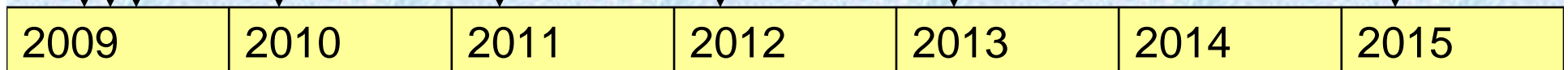
March: 1st Large Fleet Compliance Date:
DELAYED For Most Per AB 8 2X

March: 2nd Large Fleet Compliance Date:
DELAYED For Most Per AB 8 2X

March: 3rd Large Fleet Compliance Date:
FIRST Actual Date for Most Large Fleets

March: 1st Medium
Fleet Compl. Date

March: 1st
Small Fleet
Compl. Date



AGC Petition

- Filed on January 11, 2010
- Requested ARB:
 - Delay fleet average targets for 2 years
 - Withdraw request for authorization from U.S. EPA
- Reasons for petition:
 - CA construction industry devastated by recession
 - AB 8 2X amendments were insufficient
 - Emissions already reduced because of recession

ARB Response to AGC Petition

- Issued February 11, 2010
- Enforcement delay
 - March 1, 2010 BACT and fleet average requirements
 - Adding vehicle restrictions
- EO hearing to evaluate if further regulation changes needed
- Update to Board in April 2010

Information Requested Today

Large fleets – with reg as amended by AB 8 2X:

- Could your fleet meet the March 1, 2010 compliance deadline?
 - Why or why not?
 - Cost to comply?
- Can your fleet meet the March 1, 2011 compliance deadline?
 - Why or why not?
 - Cost to comply?
- Have the AB 8 2X amendments provided sufficient credit for 2010 – 2011?
 - Why or why not?

Information Requested Today, cont'd

All commenters:

- What additional amendments are needed?
 - Over the next 2 years?
 - Longer term?
- Were early credits utilized?
 - What was the most helpful?
 - What other early credits are necessary?
- Impact of recession?
 - On your fleet?
 - On all fleets in State?

How to Submit Comments

- Submit comments until March 18, 2010
- Comments submitted today, or to Clerk of the Board are public
 - <http://www.arb.ca.gov/lispub/comm/bclist.php>
- Fleets can submit confidential comments
 - Mark them “CONFIDENTIAL”
 - Send confidential comments to:
 - Off-road Diesel Vehicle Regulation Comments*
 - CONFIDENTIAL*
 - Floor 7, MSCD, HDDIUS Branch, ORIS*
 - California Air Resources Board*
 - P.O. Box 2815*
 - Sacramento, California 95812*
 - Or fax to: (916) 323-5526

Comprehensive Evaluation of Diesel Rules Underway

- Current Emission Estimates for Truck and Off-road Rules
- April 22 Board Hearing
 - Summary of March 11, 2010 Hearing
 - Updated inventory and 2014 SIP status
 - Discuss possible off-road regulation revisions
- May-June Workshops
 - Amendments to Off-road and Truck and Bus rules
- August/September Board Hearing
 - Revisions to Truck and Bus and Off-road rules